

10 November 1970

NOTE FOR: Mr. Coffey

STAT

1. [ ] (CS/Training Officer) advised me that the CS is the prime mover to this proposal. He has talked to Mr. Karamessines who fully supports the cash award versus LPSI system. He says LPSI was inequitable and not helping to provide CS language needs.

2. This change germinated in committee as language statistics became available that showed we were grossly inadequate to meet requirements at same time problem of LPSI was found.

3. Committee does not want maintenance awards because we will be paying forever, like LPSI. They feel employee will maintain language to continue to occupy language required slot and should result in assignment to area. Mountainous admin problems to maintenance award.

4. This new awards program has been worked out with SIPS by Jabber.

5. Comparative costs estimate:

Assume about 1400 people studying languages here and abroad, full- and part-time and assume incentive for proficiency for all languages the Agency needs, not just hard languages:

If 500 people qualify each year for proficiency awards:

	<u>First Year</u>	<u>Second year</u>	<u>Cumulative Thru 4th year</u>
LPSI @ \$500	\$250,000	\$500,000*	\$2,500,000
Cash award @ \$600	\$300,000	\$300,000	\$1,200,000

\*For second year LPSI would double because the first year would continue while new grants are started.

An LPSI granted a 35-year-old employee would accumulate to \$7,500 to age 50 based on static salary.

  
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